

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK

In re:

KRIS DANIEL ROGLIERI,

Debtor.

Chapter 11, Subchapter V
Case No. 24-10157

**COMPASS-CHARLOTTE 1031, LLC'S JOINDER IN UNITED STATES
TRUSTEE'S MOTION TO CONVERT OR DISMISS**

Creditor and party in interest Compass-Charlotte 1031, LLC (“Compass-Charlotte”) hereby joins in the United States Trustee’s Motion to Convert or Dismiss (Doc. 119) (the “Motion”) and requests that the Court convert the Debtor’s case to Chapter 7.

It is clear that conversion is in the best interests of creditors and the estate. There is no ongoing business to conduct, no ongoing source of income, and the only thing remaining to do in this case is to liquidate assets and pay creditors. Mr. Roglieri’s control of his bankruptcy estate provides no benefit to creditors and is a substantial hindrance. Mr. Roglieri has dissipated \$5 million in trust funds taken from 1800 Park Avenue and his bankruptcy counsel has had to relinquish its pre-petition retainer which was traceable to those trust funds. Mr. Roglieri has been shown by the Receiver of Prime Capital Ventures to have misappropriated tens of millions of dollars and failed to return close to \$100 million in ICA deposits to third parties. *Levine v. Roglieri*, Adv. Proc. 24-900010 (Bankr. N.D.N.Y.) Mr. Roglieri has been accused of fabricating fictional deals which Prime Capital Ventures allegedly financed in order to get unsuspecting victims (like Compass) to give him millions of dollars in ICA deposits, which he then used to buy luxury supercars,

expensive watches, a mansion and private air charters. Mr. Roglieri has not provided any sworn testimony disputing those facts, and it is clear that he cannot be trusted and cannot be left in charge of liquidating the assets of the estate.

The Trustee has laid out many grounds for cause in the Motion. In addition to those, Compass adds the following grounds for cause:

1. Roglieri lied to this Court about what he did with the ICA deposits received from third parties, about the business model of Prime Capital Ventures, about what funds Prime Capital Ventures had and numerous other lies, *see Prime Capital Ventures*, 23-11302 (Bankr. N.D.N.Y.) Doc. 140 (detailing lies). Fraud to the Court is a reason for conversion, even though it took place in an affiliated case, rather than directly in this case. *See generally In re AdBrite Corp.*, 290 B.R. 209, 218 (Bankr. S.D.N.Y. 2003) (noting that a case can be converted when a debtor has acted fraudulently, and one of the factors to consider is when “the prepetition conduct of the debtor has been improper”)

2. Roglieri operated a Ponzi scheme / fraud as detailed in numerous sworn pleadings, including Compass verified complaint in the United States District Court for the Northern District of New York and the verified third-party complaint of the receiver over Prime Capital Ventures, LLC. *Compass-Charlotte 1031, LLC v. Prime Capital Ventures, LLC*, 24-cv-00055 (N.D.N.Y.) Doc. nos. 1, 71. *See In re Vaughan*, 429 B.R. 14, 26 (Bankr. D. NM 2010) (granting conversion of individual Chapter 11 case to Chapter 7, because “The U.S. Trustee proved that the Debtor was the principal in a Ponzi scheme. Ponzi schemes are fraudulent. Fraud, before or after the filing of a bankruptcy case, is a ground to appoint a trustee”).

3. Roglieri appears to be the owner and Chief Executive Officer of CCTG Holdings, LLC, a New York limited liability company formed in March 2023. Roglieri did not disclose this entity in his bankruptcy schedules.

Accordingly, Compass-Charlotte joins in the Motion and respectfully requests that the Court convert this case to Chapter 7 so that an independent trustee can liquidate the Debtor's assets for the benefit of creditors.

Dated: Albany, New York
April 25, 2024

NOLAN HELLER KAUFFMAN LLP

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